

**Kentucky State Law Content Outline
For Sales and Broker Exams
Revised November 29, 2012**

I. Real Estate Commission

(Sales 4/Broker 4)

- A. General powers
 - 1. Authority to issue licenses
 - 2. Examination and audit of records
 - 3. Administration of Education, Research and Recovery Fund
- B. Enforcement Powers

(Sales 3/Broker 3)

- 1. Investigations, hearings and appeals
- 2. Sanctions
 - a. Fines
 - b. License suspension, revocation and other action
 - c. Criminal action

II. Requirements for a License

(Sales 7/Broker 7)

- A. Activities requiring a license
- B. Eligibility
- C. Renewal of license
- D. License procedures
 - 1. License changes
 - 2. Escrow of license
- E. Continuing education
- F. Errors and omissions insurance
- G. Criminal background check

III. Brokerage Activities and Requirements

(Sales 14/Broker 15)

- A. Broker/sales associate relationship
- B. Commissions
- C. Advertising
- D. Handling of monies
- E. Handling of documents
- F. Place of business
- G. Records
- H. Escrow accounts
- I. Improper conduct
- J. Unlicensed assistants
- K. Broker lien law (broker only)
- L. Zero (no-call) list
- M. Brokerage management (broker only)
- N. Unlicensed brokerage

IV. License Law Requirements for Contracts

(Sales 5/Broker 4)

- A. Statute of Frauds
- B. Listing contracts
- C. Purchase contracts
 - 1. Submission of offers
 - 2. Finance provisions
 - 3. Other required provisions
- D. Licensee Duties

V. Disclosures and Agency Issues

(Sales 4/Broker 4)

- A. Agency relationships, requirements, and disclosure
- B. Disclosures of personal interests in real estate transactions
- C. Condominium seller certificates
- D. Seller disclosure of property condition
- E. Other Disclosure Issues
 - 1. AIDS/HIV
 - 2. Property Conveyance Law (stigmatizing factors)

VI. Property Management

(Sales 3/Broker 3)

- A. Management agreements
- B. Procedures and guidelines
- C. Handling of security deposits